

**MINUTES OF REGULAR MEETING  
OPEN SESSION  
JANUARY 13, 2009  
ILLINOIS GAMING BOARD  
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Monday, January 12, 2009 a Regular Meeting of the Illinois Gaming Board (“Board”) was held in the conference room of the Gaming Board Offices on the 3<sup>rd</sup> floor at 160 N. LaSalle, Chicago, Illinois.

On Monday, January 12, 2009 at approximately 9:35 a.m. the following Board Members were present: Members Charles Gardner, Eugene Winkler, Joseph Moore and Member Sullivan. Chairman Jaffe participated via telephone. The meeting recessed at 11:20 a.m.

On Tuesday, January 13, 2009 the meeting reconvened at 12:25 p.m. Present were the following Board Members: Members Charles Gardner, Eugene Winkler and James Sullivan. Chairman Jaffe participated via telephone.

At 12:25 p.m. on Tuesday, January 13, 2009, Member Gardner called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (4), (11), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, Member Gardner moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

- 1. Pending Litigation and matters involving probable litigation;**
- 2. Investigations concerning applicants and licensees;**
- 3. Personnel matters; and**
- 4. Closed session minutes.**

Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote. The Board remained in Closed Session until approximately 1:00 p.m. The Board went into open session at 1:05 p.m.

**APPROVAL OF MINUTES**

Member Gardner moved that **the Board approve the closed session minutes of its Special Meeting of December 8, 2008, Special Meeting of December 10, 2008, Special Meeting of December 12, 2008, Regular Meeting of December 15 & 16, 2008 and the Special Meeting of December 22, 2008.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

Member Gardner moved that **the board approve the open session minutes of its Special Meeting of November 25, 2008, its Special Meeting of December 8, 2008 and its Regular**

**Meeting of December 15 & 16, 2008.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

### **OWNER LICENSEE ITEMS**

Item for Initial Consideration –

- Southern Illinois Riverboat Casino, Inc. d/b/a Harrah's Metropolis – License Renewal

General Manager Mike Rich made a power point presentation to the Board.

My name is Mike Rich and I am the Senior Vice President and General Manager of Harrah's Metropolis Casino and Hotel

I am here today with several members of my team and my corporate team for our initial consideration for our four year license renewal

The last few years have been a year of highs and adjustments. In the last half of 2007 the property set several monthly revenue records only to have to adjust to the lower revenue streams created by the implementation of the smoking ban in the beginning of 2008.

I am not sure many people realize that the average customer drives 81 miles one way to get to Metropolis. Additionally, the majority of our revenue is derived from Kentucky and Tennessee. Our primary competition is from the Tunica market. Kentucky is the number 1 and Tennessee is the number 3 smoking states per capita in the United States.

However, even with the declines in 2008 we have set several records that I am extremely proud of.

- The first is our MBE/WBE spend for 2008. We generated 30% growth in our MBE/WBE spend in 2008 vs. 2007. Additionally we have grown this spend 200% since 2003.
- Minority employment is at an all time high. 70% of our workforce comes from Massac and McCracken counties. Our minority workforce percentage from those two counties is 33% greater than the minority make up of the counties themselves
- Our employee workforce generated 8000 volunteer hours in 2008. We are the 3<sup>rd</sup> smallest property in the Harrah's Entertainment brand and yet we generated the highest volunteer hours in the entire company including large properties like Caesars Palace in Las Vegas.
- We also had a great year for monetary donations that included a \$142,000 grant from the Harrah's Foundation for the purchase of the Metropolis Community Center for the city of Metropolis.

Mayor Bill McDaniel sends his regards and could not make it here today but wanted me to reiterate the benefit Metropolis has received over the years from the relationship with the casino. The tax dollars generated by the casino have helped with the new library, the fire station, the water treatment plant, and numerous road construction projects.

Additionally, Harrah's has shown its commitment to the city through the \$56 million investment in the barge in 2001 that included the construction of the Steakhouse, the Buffet, Aces Diner, and our VIP Lounge. The company then spent \$72M in capital for the creation of the 258 room hotel and 12,000 square foot event center. We have hosted several large entertainment acts in the event center including the Temptations and Glen Campbell. We believe that our hotel is the nicest between St. Louis and Nashville and would invite you to host an IGB meeting at our property at your convenience.

Lastly we understand that a gaming license is a privilege and we understand the responsibilities that come with that privilege.

Without further ado we will show the video.

Power Point Presentation

Comments:

Member Gardner commented on a job well done.

- MGM – MGM Mirage's request to allow Nevada Landing Partnership as a Subsidiary Guarantor on Certain Debt

Based on a review of staff's investigation and recommendation, Member Gardner moved that, **pursuant to section 230(d) of the Board's Adopted Rules, to approve MGM's request for IGB approval of Nevada Landing Partnership as a Subsidiary Guarantor of the aggregate principal amount of \$750 Million of MGM's 13.0% Senior Notes due in 2013, which were sold by MGM in November, 2008 through private placement and delegate to the Administrator final approval of such transactions.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

### **OCCUPATIONAL LICENSES APPROVALS & DENIALS – LEVEL 2'S & 3'S**

Based on staff's investigation and recommendation, Member Winkler moved that **the Board approve 24 applications for an Occupational License, Level 2, and 82 applications for an Occupational License, Level 3.**

Further, Member Winkler moved that **the Board direct the Administrator to issue a Notice of Denial to the following individuals who received notice that staff intended to recommend denial and either did not respond or provide additional information to rebut the recommendation.**

1. **Shalonda V. Glenn;**
2. **Shawnita N. Lewis;**
3. **Andrew V. Skirmont;**
4. **Corey C. Hubbard; and**

## 5. Michael L. Cook

Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

### **PROPOSED COMPLAINTS AND DISCIPLINARY ACTIONS**

- Eric A. Reardon – Occupational Licensee

Based on staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against Eric A. Reardon, an occupational licensee, for failing to disclose a June 22, 2008 arrest.**

Further, Member Winkler moved that **the Board suspend Eric A. Reardon's occupational license for 7 days without pay. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- John J. Beck – Occupational Licensee

Based on staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against John J. Beck, an occupational licensee, for failing to disclose a July 15, 2008 arrest and a September 8, 2008 disposition.**

Further, Member Winkler moved that **the Board suspend John J. Beck's occupational license for 14 days without pay. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

Member Gardner commented on the need to suspend people who do not disclose their arrests. Member Gardner stated that the Board and staff encourage the occupational licensees to disclose any changes in their personnel records.

- Bally Gaming, Inc. D/B/A Bally Technologies, a supplier licensee

Based on staff's investigation and recommendation, Member Gardner moved that **the Board issue a Disciplinary Complaint against Bally Gaming, Inc. d/b/a Bally Technologies, a supplier licensee, due its failure to identify Michael Gavin Isaacs as a Key Person of Bally in all of its submissions to the Board since 2006.**

Further, Member Gardner moved that **the Board fine Bally Gaming, Inc. d/b/a Bally Technologies \$15,000.00. Said action to take affect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time**

**period.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

**ADMINISTRATIVE HEARINGS/ALJ**

- Request for Hearing – Gilbert Lopez

Based on the review of staff's investigation and recommendation, Member Winkler moved that **Gilbert Lopez's request for a hearing be denied. He has offered no facts that establish a prima facie case.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

Chief Counsel Fries stated that the Board's decision on the 10<sup>th</sup> license will be issued within a day or two.

Member Gardner stated that the decision will be posted on the website.

At 1:40 p.m. Member Winkler motioned to adjourn while Member Gardner seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta  
Secretary to the Administrator